



Alcohol Beverage Advertising Program

To: All Proprietors of Bonded Wine Premises, Breweries, Distilled Spirits Plants, Alcohol Beverage Wholesalers and Importers, Export Warehouses, and All Others Concerned.

The Alcohol and Tobacco Tax and Trade Bureau (TTB) is responsible for the administration of the Federal Alcohol Administration (FAA) Act, 27 U.S.C. chapter 8. Among other provisions, the FAA Act provides for the regulation of those engaged in the alcohol beverage industry and the protection of consumers. For example, the FAA Act requires that alcohol beverage labels and advertisements provide the consumer with adequate information regarding a product's identity and quality, and prohibits misleading labels or advertisements that are likely to result in consumer deception.

While TTB must approve alcohol beverage labels prior to bottling or removal from customs custody through the certificate of label approval (COLA) procedures, we have taken a voluntary approach relative to the approval of the alcohol industry's advertisements. In the past, TTB invited industry members to voluntarily submit new or questionable advertising for clearance prior to using such material.

While this voluntary system has worked well, improper advertising is periodically introduced into the public media. This situation can result in an unfair marketing advantage for certain industry members, and the consuming public may be exposed to inadequate, false, or misleading statements.

In view of the high volume of new products entering the marketplace, increased competition, and expanded alcohol advertising through the Internet, cable and satellite television, and the print media, we have decided to take a more proactive approach toward monitoring and reviewing alcohol beverage advertising.

Under our new Alcohol Beverage Advertising Program, TTB plans to contact alcohol producers and importers and request that they provide the following information as to specified brands: current, selected advertising materials such as posters, flyers, point of sale materials, press releases, Web sites, Web page materials, and magazine and periodical ads, as well as television and radio advertisements. We will examine this advertising to determine compliance with mandatory and prohibited statement requirements. Examples of advertising areas that TTB will review include, but are not limited to, the following:

- The presence of mandatory information, such as the name and address of the responsible advertiser and product class/type information;
- Statements or depictions that are inconsistent with approved product labels;
- Statements that are false, misleading, or deceptive;
- Statements, designs, or the use of subliminal representations that are obscene or indecent;
- False or misleading statements that are disparaging of a competitor's product;
- Prohibited uses of the word "pure" for distilled spirits products;
- Misleading or false curative or therapeutic claims;
- The form and use of mandated and optional alcohol content statements;
- Misleading references to carbohydrates, calories, fat, protein, and other macronutrients or "components;" and
- Specific health claims and health related statements.

As an industry member, you may or may not be contacted under this program. TTB will select industry members for advertising examination based on various indicators such as prior compliance history, advertising methods, and market impact, as well as random sampling factors. We will also continue to respond to specific complaints and referrals. TTB specialists will work individually with industry members to answer questions and to ensure the correction and/or removal of any improper advertising currently in use.

This initiative will be an ongoing part of TTB's FAA Act enforcement. Our objective is to establish a comprehensive compliance program so as to protect the consumer and encourage industry voluntary compliance. We also hope to maintain consistent enforcement of the advertising regulations throughout the alcohol beverage industry. Of course, TTB will continue use of its voluntary pre-clearance review program, and we encourage industry members to utilize this service as a way to help avoid improper advertising.

If you have any questions about our advertising rules or this program, please call the Advertising, Labeling and Formulation Division's Market Compliance Team at (202) 927-1120 or toll free at 1-866-927-ALFD (2533).

A handwritten signature in black ink, reading "A. J. Libertucci". The signature is fluid and cursive, with a long horizontal stroke at the end.

Arthur J. Libertucci
Administrator
Alcohol and Tobacco Tax and Trade Bureau